

# Surviving the Retail Apocalypse: Charting the Future of Retail in Ramsey

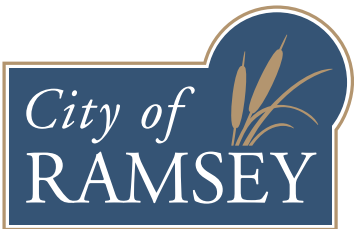


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# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey



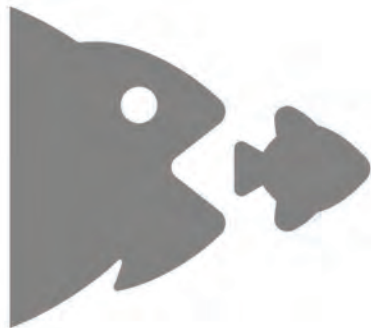
The **retail opportunity in Ramsey is significant** given the city's growing population, disposable income, and developable land for new shops and restaurants. **Global retail is changing rapidly**, with new technology and novel ways for people to shop and enjoy their leisure time. Ramsey can become a **premier destination** by taking advantage of its resources, creating places for entrepreneurial enterprises to grow, and becoming **a model for the future of retail**.

### The Story of Retail Today



#### Retail is Changing

Globally, **big-box retailers** have been **downsizing and closing** stores for decades. Large shopping malls are no longer being built in suburban communities, and many more people are **shopping online**.



#### Competition is High

Ramsey is surrounded by large retail nodes **competing for eager shoppers**. Cities like Maple Grove, Coon Rapids, Otsego, and Anoka all have **established retail areas within a 25-minute-or-less drive**.



#### Ramsey Inventory and Assets

Vacant space is **designed for commercial development**. There are more than 50 shops and restaurants that are located across the city, but only a few located in the Center of Ramsey (COR).

### Survival Strategies



#### Branding a Unique Identity

**Creating a Reason to Shop in Ramsey:** Shoppers need a reason to spend hard-earned money. Ramsey has unique assets that distinguish it from neighboring communities. The City can work with residents and developers to capitalize on these assets and create a **cohesive vision** for retail to guide future development.

##### Strategies:

- Identify unique assets
- Coordinate residents and developers around retail vision
- Ensure cohesive retail story built around Ramsey identity



#### Utilizing Existing Assets

**Retooling the Retail Economy:** It is important to harness not only the physical space available in Ramsey, but also the entrepreneurial spirit of the community. Using innovative strategies, the City can **foster the talents** of residents and business owners, and spur the retail development the community desires.

##### Strategies:

- Simplify new business start-up process
- Incentivize redevelopment, encourage reinvestment
- Create low-risk opportunities for entrepreneurs



#### Experience the Character of Ramsey

**Leveraging Recreation:** Ramsey has many **advantages over its neighbors**—from its lakes, rivers, and open spaces to its bike trails, transit station, and developable land in The COR. Retail in Ramsey should create a fun and novel experience for residents and visitors alike.

##### Strategies:

- Create retail identity through outdoor expos and events
- Encourage development of destinations for outdoor enthusiasts
- Turn vacant space into places for people to linger a while



The upcoming posters show the challenges Ramsey faces in attracting retail today, as well as the opportunities it has to attract future business. The City is positioned to create **a unique retail identity attractive to new retailers**, and leap ahead of its neighbors.



# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey



### What is Happening to Retail?

Retail has taken a catastrophic hit across the nation. The Great Recession began impacting sales nine years ago, but stores continue to close across the nation and retail giants continue filing for bankruptcy. At the same time, wages have been rising (albeit slowly), GDP has been growing for years, and gas prices and unemployment are low. **So how did we get here?**



**People are buying more things online than before**

Online shopping has evolved over the years, offering deals such as **free shipping and returns**, making online purchases seemingly **risk-free** for consumers.

More types of retail have become **successful online**—from beds and clothing to glasses and shoes—forcing brick-and-mortar stores to offer **comparable prices and conveniences**. Consumers can now compare prices and similar items **from their home** rather than making multiple trips to stores.



**America has too much retail space**

Between 1970 and 2015, the number of malls increased twice as fast as the population in the U.S. This development has left the U.S. with **40% more shopping space per capita** than Canada and **5 times more space** than the U.K.

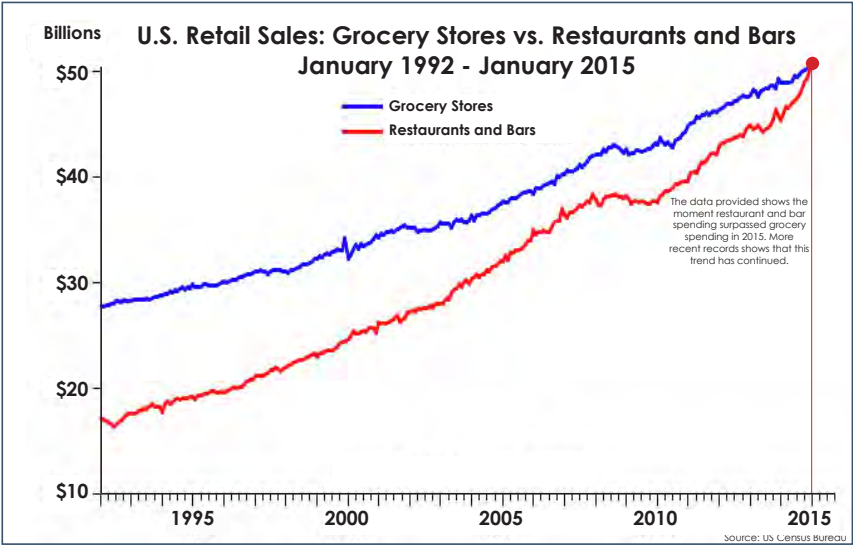
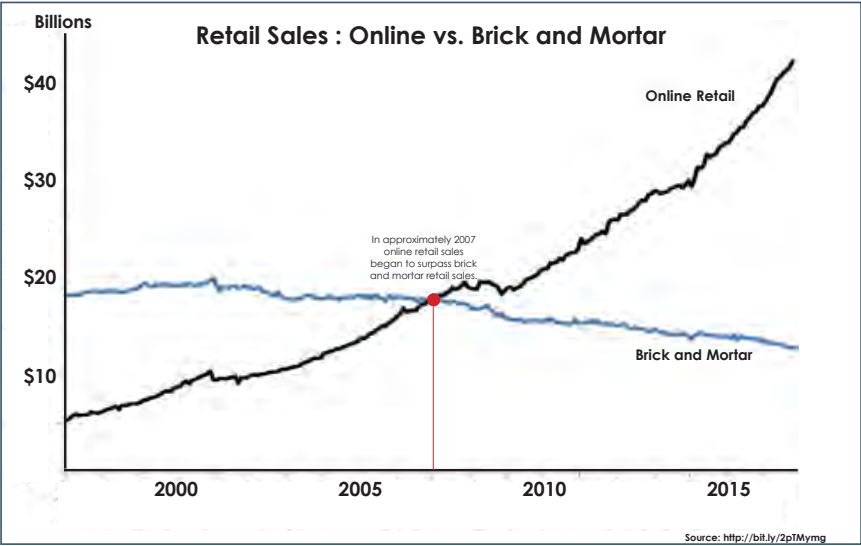
The Great Recession brought decreased wages, higher health-care costs, and less spending on luxuries. This led to the number of mall visits by consumers **dropping 50% from 2010 to 2013**, a trend that has continued.



**Spending is shifting from material items to experiences**

Retail was on the rise until the Great Recession, and **people were buying a lot of material goods**. Since 2008, spending has shifted from apparel and luxury items **to travel and dining**. Spending habits are being **driven by the social** desire to "go out" and **share experiences** with others, not shop for items.

Since 2005, sales in the "Food Services and Drinking Places" retail category have grown **twice as fast** as other retail spending. In 2016, Americans spent **more money in restaurants and bars than grocery stores**.



**Is this the end of brick-and-mortar? Probably not.** New technological advances will continue to alter the retail landscape. But cities can adapt to these changes by being nimble, fine-tuning their economic development strategies to keep up with industry trends, and leveraging their competitive advantages. Ramsey can be resilient and stay on the **cutting edge of market change** by using some of the strategies highlighted on the next poster.

# Surviving the Retail Apocalypse

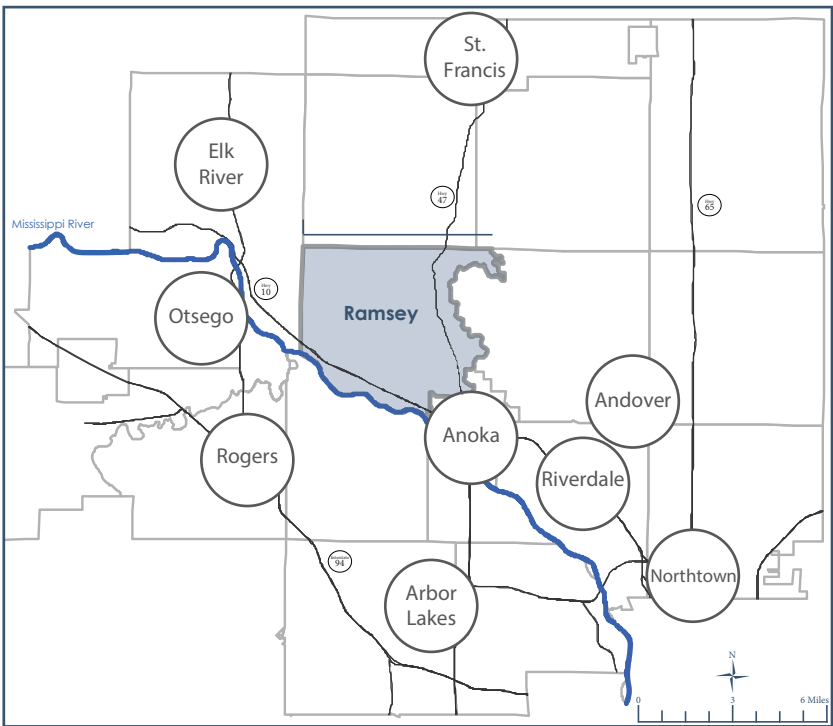
## Charting the Future of Retail in Ramsey



### Competition & Accessibility

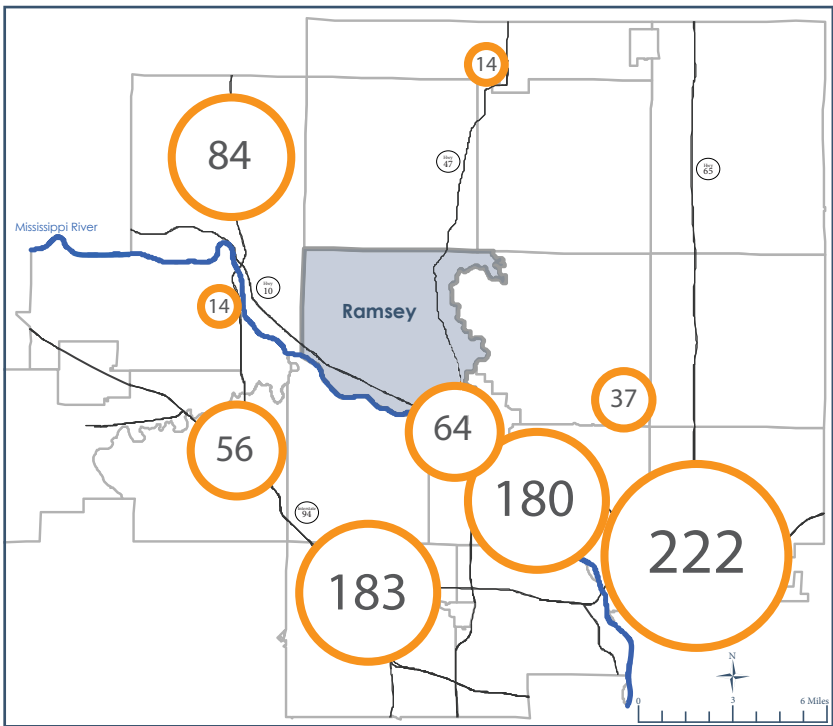
Ramsey **sits between many retail nodes** including big-box stores and clusters of shops and popular restaurants. The map below represents regional competition near the city of Ramsey. All retail nodes highlighted are **within 12 miles of the city**. Each map describes these nodes and how they might impact retail in Ramsey.

#### Location of Retail Nodes Near Ramsey



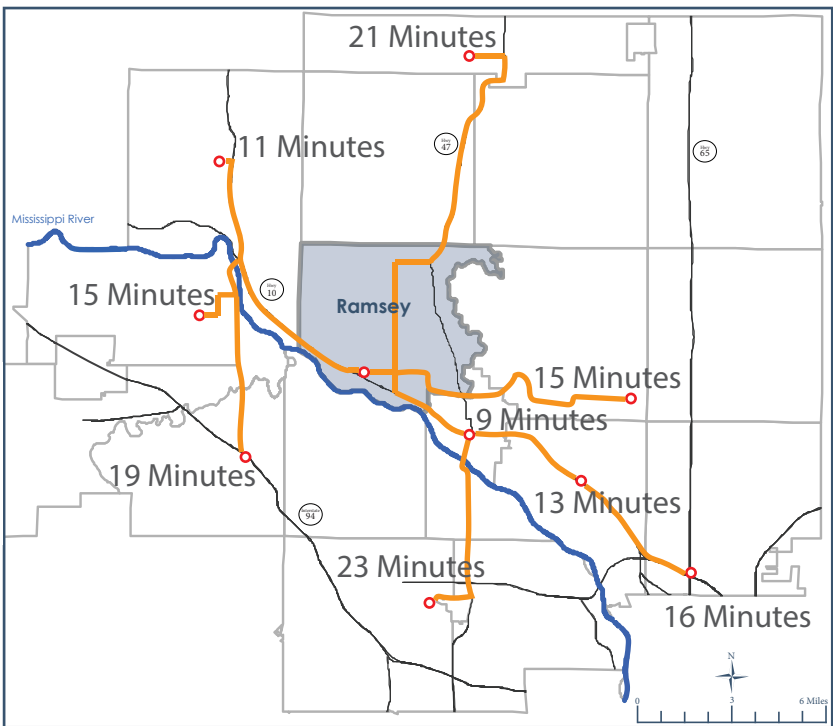
Ramsey sits between 9 competitive retail nodes

#### Quantity of Retail and Restaurants



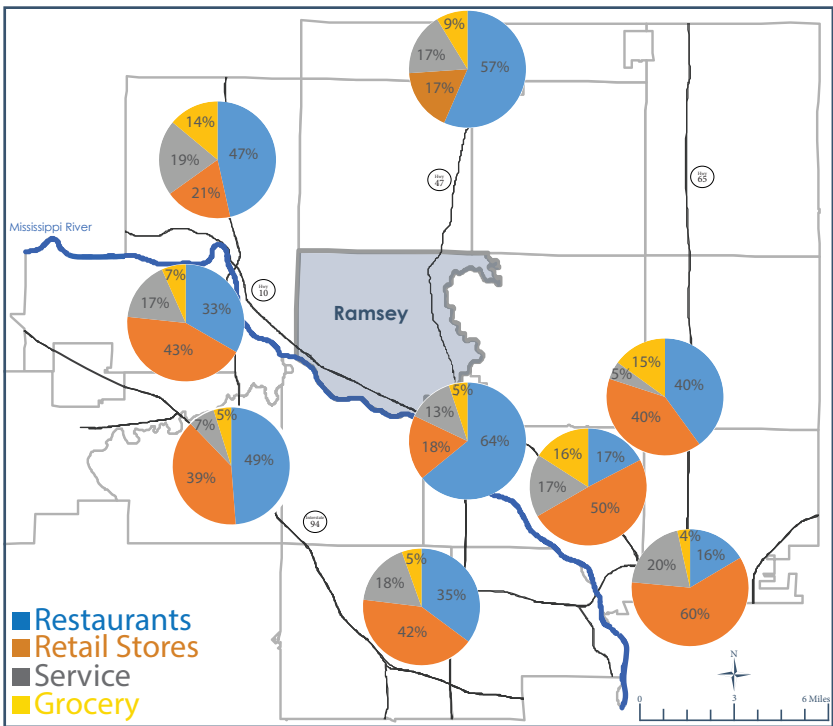
These 9 nodes have 854 retail locations combined

#### Drive Time



Residents can access each in less than 23 minutes

#### Retail Diversity



Various types of retail are available in each node

**Regional competition is fierce**, with attractions for residents, commuters and cabin goers surrounding Ramsey. Major highways passing through the region give **shoppers easy access to multiple retail nodes** in nearby cites. However, Ramsey has the land area and vacant space to **expand its retail base** and compete for shoppers and restaurant-goers.



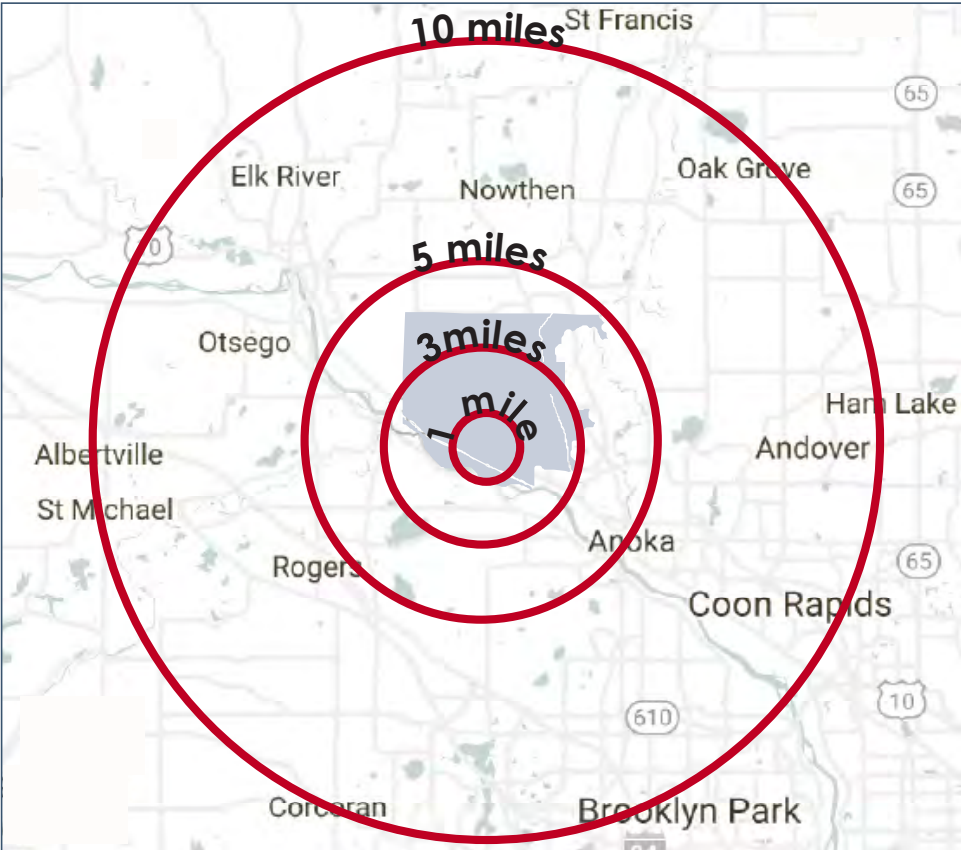
# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey











### Who is Ramsey’s target retail market?

To identify **Ramsey's retail opportunities**, demographic data should be examined to learn about residents of Ramsey and the surrounding area. **Current and projected community demographics can** provide crucial insights into consumer spending habits and the potential for Ramsey to **successfully attract and retain retailers**.

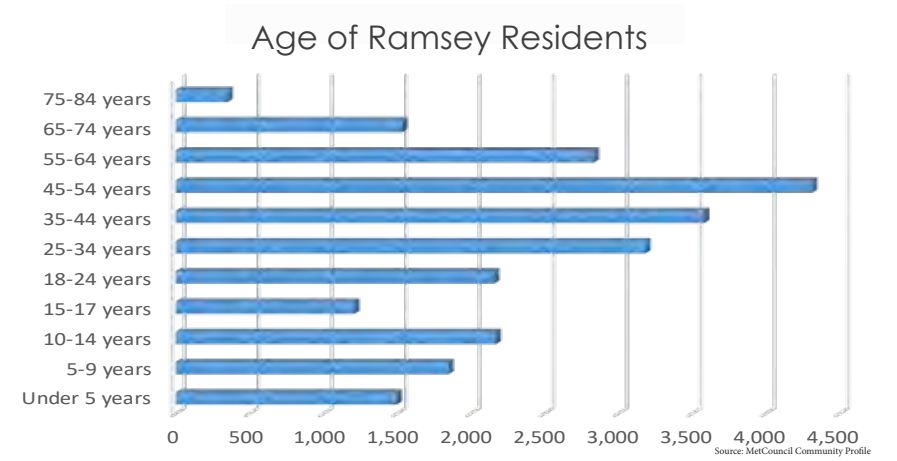


Retail markets are often analyzed by **mileage or drive time from a specific commercial node**. Ramsey has had multiple market analyses completed previously, and has not found these measurements to be effective for **understanding the market** in regards to retail recruitment. Recently, emphasis has been placed on **average daily traffic counts**, something Ramsey is **striving to increase**. Measuring or analyzing traffic counts was not within the scope of this project; however, it could impact the ability to attract retail, and should be considered alongside Ramsey’s **increasing population, housing density, and above-average median income**.

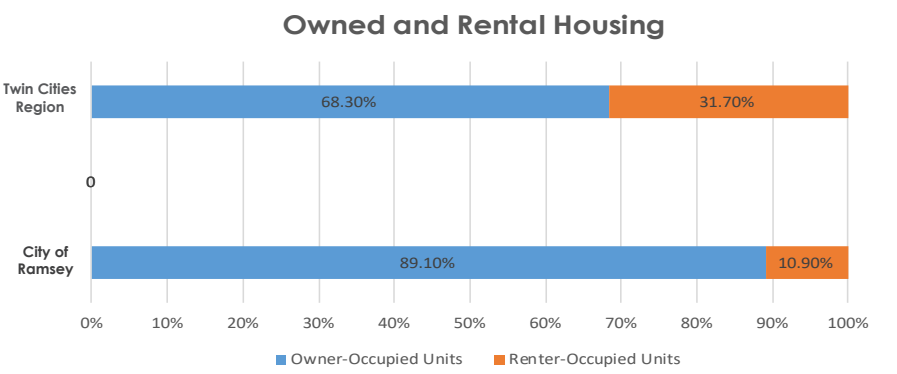
	DISTANCE FROM COR	1 mile	3 miles	5 miles	10 miles
	<b>2016 Population</b>	2,493	23,953	50,866	252,652
	2021 Projected Population	2,697	25,575	53,433	265,483
	% Change: 2016 to 2021	7.50%	6.80%	5.10%	5.10%
	<b>2016 Households</b>	891	8,094	18,110	90,502
	2021 Households	969	8,687	19,114	95,240
	% Change: 2016 to 2021	8.80%	7.30%	5.50%	5.20%
	<b>2016 Median Household Income</b>	\$78,781.00	\$83,624.00	\$79,169.00	\$78,267.00
	2016 Per Capita Income	\$31,224.00	\$32,251.00	\$32,494.00	\$33,079.00
	<b>2016 Housing Units</b>	915	8,341	18,757	94,083
	2016 Percent Owner Occupied Units	92%	89%	83%	81%

### Ramsey's Retail Demographics

**Age:** The majority of Ramsey's population is between the ages of 25 and 65, suggesting the **stability** of the city's population for potential retailers. However, the largest concentration of people are between **40 and 55 years old**, underscoring the city's aging population and **likely future shifts in spending habits**. Spending momentum starts to **decrease dramatically after age 50**. Prior to that, individual and household spending peaks for homes, automobiles, and household goods.



**Housing Units & Households:** Ramsey's population and household projected growth shows a **steadily growing consumer market**. A notably high percentage of home-ownership indicates **stability and consistency in consumer spending**. As Ramsey continues to construct more housing, the **number of households within the market area will increase, making Ramsey more attractive to potential retailers**.



**Income:** **40% of Ramsey** residents have a household income **over \$100,000** and average household income nearly **\$20,000 greater** than the average for the Twin Cities Metro. When evaluating a market, retailers seek a minimum number of households within a certain income range before establishing a business. Ramsey's high median income means lower risk for incoming retailers.

Understanding resident demographics and **corresponding spending habits** can provide direction as the City of Ramsey moves forward with **strategies to attract retail** that will be **most economically successful** in the community.

# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey



### Branding a Unique Retail Identity

Ramsey faces numerous challenges in bringing retail to the city, including **lack of a retail identity**. The creation of a retail identity for Ramsey will give **character to existing retail** in the city, and create a more specific **framework for future development**.



Branding can transform a city into a place where people want to live, work and play. A **strong retail identity is especially vital when vying with other communities** to attract new businesses. The brand should be based on **what assets a city already possesses**, rather than what the city wants to become.



An example of successful city branding can be seen in **Dubuque, Iowa**, a city of approximately 60,000 along the Mississippi River located on the border of Wisconsin, Illinois, and Iowa. Dubuque was **long a center of manufacturing and industry**, a fact reflected in the character of its downtown architecture.

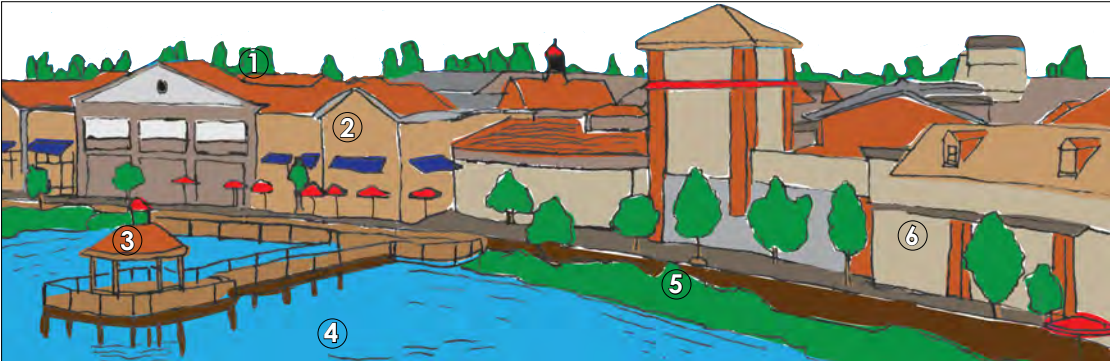


Due in part to the **diversification of Dubuque's economy**, the city benefited from an expanding business sector, increasing its tax base and allowing City officials to focus on downtown redevelopment. This district was **transformed from older and vacant buildings into revitalized retail, restaurant, and living spaces** that **embraced the historic manufacturing identity** of the city.

Downtown Dubuque



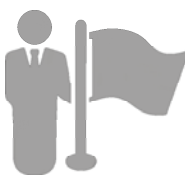
### Proposal: Mississippi Riverfront Retail Node



- 1. Green space connected to retail node
- 2. Restaurant with outdoor riverfront seating
- 3. Gazebo connected to dock
- 4. Mississippi River
- 5. Shoreline path
- 6. Retail space with riverfront view

The rendering on the left illustrates a potential commercial development in Ramsey that is consistent with **an outdoor recreation-themed retail identity** for the city (see poster 8).

The natural character of Ramsey lends itself to retail themed around nature and in close proximity to it, **merging shopping and the natural environment** in a way that provides an experience for shoppers.



**A Ramsey Brand Involves Residents**  
Branding a city does not involve simply designing a logo or creating a slogan; ideally it involves the residents of the city. Ramsey should tap into the ideas and talents of its populace to serve as **ambassadors for, and contribute to the development of, the "Ramsey Brand."**



**A Ramsey Brand Involves Outdoor Activities**  
The branding of a community involves coordinated activity on the part of community members and the local government to attract potential "customers." Refocusing retail in Ramsey toward locally owned, **outdoor activity-themed shopping will not only empower residents of the city** who strongly identify with Ramsey's rural character, but also **attract passersby** on U.S. Highway 10 who share those interests.



**A Ramsey Brand Includes Cultivating Assets**  
Ramsey has three key assets distinguishing it from other communities in the Twin Cities metro: (1) its **proximity to U.S. Highway 10**, which serves as the gateway to hunting, fishing, and other recreational activities in Central and Northern Minnesota; (2) its **location along the Mississippi River** and access to the resources the river offers; and (3) an **abundance of greenways, parks, and undeveloped land**.



**A Ramsey Brand Involves Linking Land Use to Brands**  
Ramsey should use land currently zoned commercial to foster a new community identity. Much like Dubuque's historic manufacturing district, Ramsey's abundance of **open land will be key to creating an outdoor-oriented identity** for the city.



The creation of the COR brand in Ramsey is a step in the right direction, but the City could **take this brand to the next level and expand Ramsey's identity** to acknowledge its green space and abundance of available land, which make it a unique community in the Twin Cities. Next, we discuss a retail strategy focused on developing Ramsey's identity through a brick-and-mortar development.



# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey



### Using Existing Assets: Simplify the Process

To **spur economic growth** and encourage retail development, Ramsey needs to identify and build on its existing assets, **entrepreneurial potential**, and **availability of space**. By identifying the assets that offer the best potential for growth, it will be easier to develop and implement strategies to leverage these assets.

### How can Ramsey guide future development?

#### Create a Collective Vision

To successfully develop the retail economy, **Ramsey must engage residents, business owners, and other stakeholders to collectively develop a vision for the future**. Stakeholder engagement helps ensure that plans reflect the community's **desires, needs, and goals**, and **generates public support** that can maintain momentum for implementing changes. Community-designed goals and publicly-supported plans **can facilitate new development** and help **build accountability** into the process, ensuring retail development projects align with long-term plans.



#### Simplify the Process

Make it easier for interested businesses and developers to **invest in the community** in ways that support the community's **long-term priorities**. Tactics to facilitate private-sector investment include streamlining the development process, providing technical assistance, and creating informational guides. Ramsey can **launch a commercial development resource initiative** that provides developers with an **inventory of all buildings in the city's retail nodes**, as well as the **physical characteristics of buildings, rental rates, ownership, and design requirements**.



#### Facilitate Adaptive Reuse of Vacant Buildings

The City of Ramsey has an opportunity to **redefine retail** for the community. By **repurposing vacant space**, the City can create **lower-risk, lower-cost opportunities** for entrepreneurs to **use physical assets unique to Ramsey** while promoting **retail growth in the community**. A successful example of this is the Midtown Global Market in Minneapolis. Accommodating a variety of vendors in a centralized location **promotes a family-friendly and walkable opportunity for residents to shop for many items at once, creating a retail destination**.



#### Use Small Business Development Centers

Minnesota is home to nine Small Business Development Centers (SBDC). **Ramsey is located between two such centers: St. Cloud and downtown Minneapolis**. An SBDC can help new businesses every step of the way, particularly those looking to **turn a concept into reality**. Ramsey should encourage entrepreneurs to use existing SBDCs for assistance with **strategic planning, access to capital, and professional guidance and resources**. The City of Ramsey could also invest in a **Small Business Navigator** staff position to provide site-specific resources and consultation for those looking to start a business in the community.



Successful cities attract and retain retail by **emphasizing their existing community assets and distinctive resources**. This **builds a foundation for a stronger sense of identity** by embracing what Ramsey uniquely has to offer. In the next poster, we provide examples of how Ramsey can **redesign retail to embrace the themes of recreation and natural resources**.





# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey



### Experience the Character of Ramsey

Retail is changing. Patrons expect that stores and restaurants will provide an experience, not just goods or a meal. Ramsey has a landscape full of natural resources to explore. Retail can leverage these resources through community expos, recreational opportunities, and placemaking, transforming Ramsey into a place to remember.



Sunfish Canoe Renta

Create retail identity through outdoor expos and events



- Canoe and boat expos
- Bike or ski fest
- Marathon or fundraising activities



Outdoor Adventure Expo

#### Bring Outdoor Enthusiasts to Ramsey

Ramsey is well positioned to be a **premier destination for outdoor recreation activities**. With proximity to the Rum and Mississippi Rivers, prime hunting land, and a stream of cabin goers on Highway 10, Ramsey is in a prime location to **attract people who love the outdoors**. Outdoor recreation-themed retail can thrive in this environment.



Mississippi River Trail

Encourage development of destinations for outdoor enthusiasts



- Themed restaurants
- Accessible and near trails
- Amenities and benches around city



Bike-Friendly Lanesboro, MN

#### Enhance the Journey

Capitalize on the **Mississippi River Trail (MRT)**, which goes right through the City of Ramsey. Lanesboro has used this approach to capture tourism traffic for retail, and has become **a destination for bicycle enthusiasts**. Improvements in the MRT and bike trails throughout Ramsey will bring additional bicyclists, and retailers will follow. Future land use plans should take advantage of this opportunity.



Vacant Retail Space

Turn vacant space into welcoming places for neighbors to stay a while



- Coffee and sandwich shops
- Centrally located
- Transit, available parking and walkable



Inviting Coffee Shop

#### Create Places to Relax

Unique and independent restaurants and coffee shops don't need to be located only in The COR. With the right incentives, Ramsey can attract new and hip restaurants and cafes to many locations throughout the city, contributing to the retail identity Ramsey desires.



Proposals to attract retail must **leverage Ramsey's unique character and amenities**. Anchoring Ramsey's retail identity in the recreational activities and natural resources available in the city will give people a reason both **to visit and to stay and explore the community**.



# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey



### Existing Inventory & Assets

Ramsey, with an abundance of land coupled with a lack of accessibility for shoppers, has had difficulty attracting “big-box” retailers. However, the City does possess a **significant inventory of commercially designated land**. To analyze this asset, we explored the following questions:

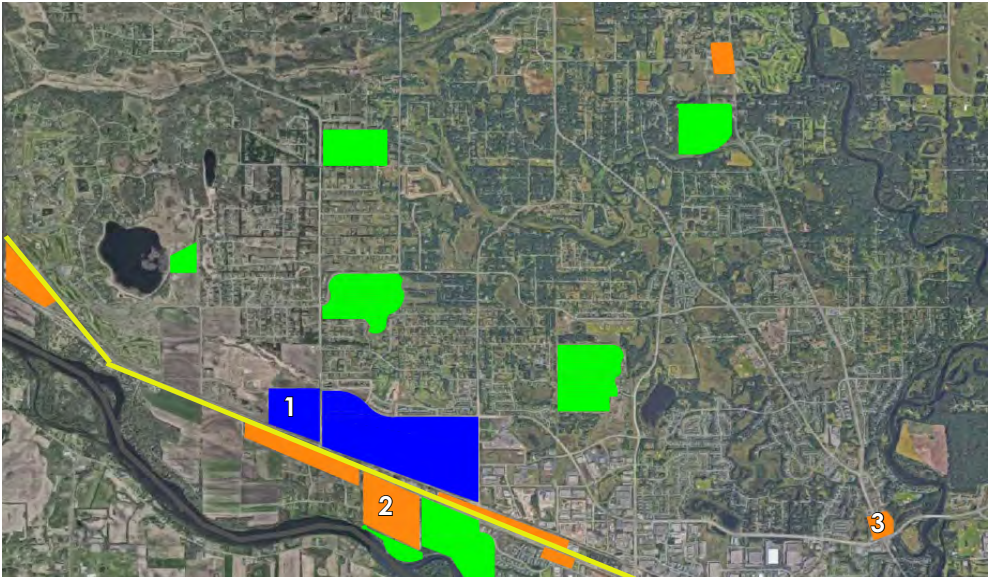


- 1. Does the current inventory of retail and restaurants **preclude future development**?
- 2. **What is the character** of the retail inventory in Ramsey?
- 3. **What can Ramsey offer** to retailers that other communities in Anoka County and beyond cannot?

The sites we have chosen for analysis below include **two open parcels** and **one fully developed site**.

Green shading on the map indicates parks and green spaces. Ramsey should **emphasize its natural character** in future retail development.

The open sites (numbered 1 and 2) were chosen due to their **proximity to the COR and to the Mississippi River**. The developed site (3) was chosen primarily because of its relative distance from the COR, as well as its location at a major intersection in Ramsey.



Legend	
	Center of Ramsey (COR)
	Commercial-Zoned Land
	Parks and Green Space
	U.S. Highway 10

#### 1. Armstrong Boulevard



	BENEFITS	<b>COR Proximity:</b> this site is located directly west of the COR and in close proximity to a large proportion of Ramsey's population and the North Star Rail station
		<b>Natural Character:</b> the openness of this site, as well as its relative proximity to the Mississippi River, provide opportunities for development of a new retail character
	DRAWBACKS	<b>Barriers to Access:</b> The Mississippi River does not allow for easy access to this site from the south, as there is no bridge and the closest river crossing is 10 minutes away by automobile
		<b>Lacking Character:</b> the retail currently in the COR is significant and established, risking redundancy in terms of potential new retail

#### 2. South of Highway 10



	BENEFITS	<b>COR Proximity:</b> this site lies just across U.S. Highway 10 from the COR, and thus can be developed in sync with the rest of this area
		<b>Natural Character:</b> the site is bordered on the south by green space and the Mississippi River, which provides a significant landmark around which retail may be developed
	DRAWBACKS	<b>Barriers to Access:</b> while the Mississippi River dominates this site, it presents a barrier in that the site cannot be accessed easily without the construction of a land bridge from the COR or a bridge over the River
		<b>Lacking Character:</b> despite this site's potential, other retail along U.S. Highway 10 in Ramsey has struggled to develop consistent character in terms of its overall commercial offerings

#### 3. St. Francis - Bunker Lake Boulevard



	BENEFITS	<b>COR Proximity:</b> this node is relatively distant from the COR, but its variety of retail and level of activity shows that retail can thrive in Ramsey outside of the COR
		<b>Natural Character:</b> while this site is not as close to a river as others in Ramsey, it is proximate enough to both the Mississippi and Rum Rivers that green space may serve as an asset for this node as well
	DRAWBACKS	<b>Barriers to Access:</b> while it is located at one of Ramsey's major intersections, vehicular traffic here is relatively low compared to most successful retail nodes—an issue the city must work to address throughout all of retail sites
		<b>Lacking Character:</b> there is no common theme that defines this node or the businesses located here, and there is some redundancy in the retail that exists



Ramsey's main asset for future development is an **abundance of land**, but that also **represents the greatest obstacle because it contributes to the lack of an identity**. In the next poster, we conclude by revisiting the retail trends we identified, as well as connecting the implications from our proposals to other features of Ramsey.



# Surviving the Retail Apocalypse

## Charting the Future of Retail in Ramsey



### Conclusion and Connections

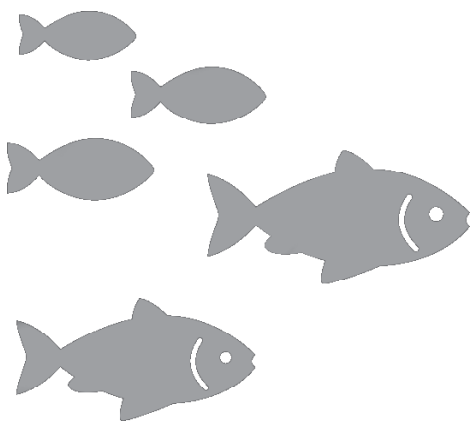
Ramsey faces a unique set of challenges in **creating a retail destination for the future**. However, many of the challenges in Ramsey can be seen more generally throughout the region and the nation. Our proposed solutions attempt to address each challenges directly, **in the context of Ramsey's current assets**. In doing so, we believe, Ramsey can become more **competitive in attracting and retaining retailers**.

#### Changing Global Retail



Globally, **big-box retailers have been downsizing and closing** stores for decades. Large shopping malls are no longer being built, and **many more people are choosing to shop online**. To confront this shifting direction in retail on a national scale, we propose:

#### High Regional Competition



Ramsey is located in an area that is **surrounded by large retail nodes**. Coon Rapids, Otsego, and Anoka each have established markets that directly compete with Ramsey. For Ramsey to remain competitive in this challenging retail landscape, we propose:

#### Experiential Shopping



Large open areas in Ramsey have been designated for commercial development. There are **more than 50 shops and restaurants** currently located throughout the city, but only a few are located in the COR area of Ramsey. To address this **locational disparity**, we propose:

#### Branding a Unique Identity for Ramsey



Highway 10 represents a perfect opportunity to **establish an identity** for Ramsey that is evident immediately upon one's entrance into the city. Similar to our proposal, the "**Gateway to Greater Minnesota**" project calls for Ramsey to create an outdoor and natural resource-themed identity. We believe this brand can **effectively guide Ramsey's development in retail and beyond**.

#### Using Existing Assets in Ramsey



Successful small-city retail development lies in the **cultivation of existing assets and inventory**, rather than attempting to attract larger national retailers (i.e., big-box retail). The "**Talent & Tenacity**" project calls for the **establishment of a series of business incubators** in Ramsey aimed at spurring development, a proposal we believe echoes our suggestion of entrepreneurial expansion.

#### Experiencing the Character of Ramsey



Economic development and land-use tools can be used to **incentivize retail** that portrays Ramsey in a new light. By anchoring retail in the theme of **outdoor and recreational activities**, residents of Ramsey will see their interests manifested in the new character of retail, while passersby will have a reason to visit and linger in the city.



Ramsey initially reacted to market pressures by branding their downtown as The COR. However, this represents only a small segment of available land in the city. Addressing the identified issues through our three proposed strategies will allow Ramsey to **stand out from its competitors and attract retailers for the future**.